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# **Army Contracting Directorate of Contracting Agency DLI Support & Government Purchase Card**

**Mel H. Auernig  
Director**



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## AGENDA

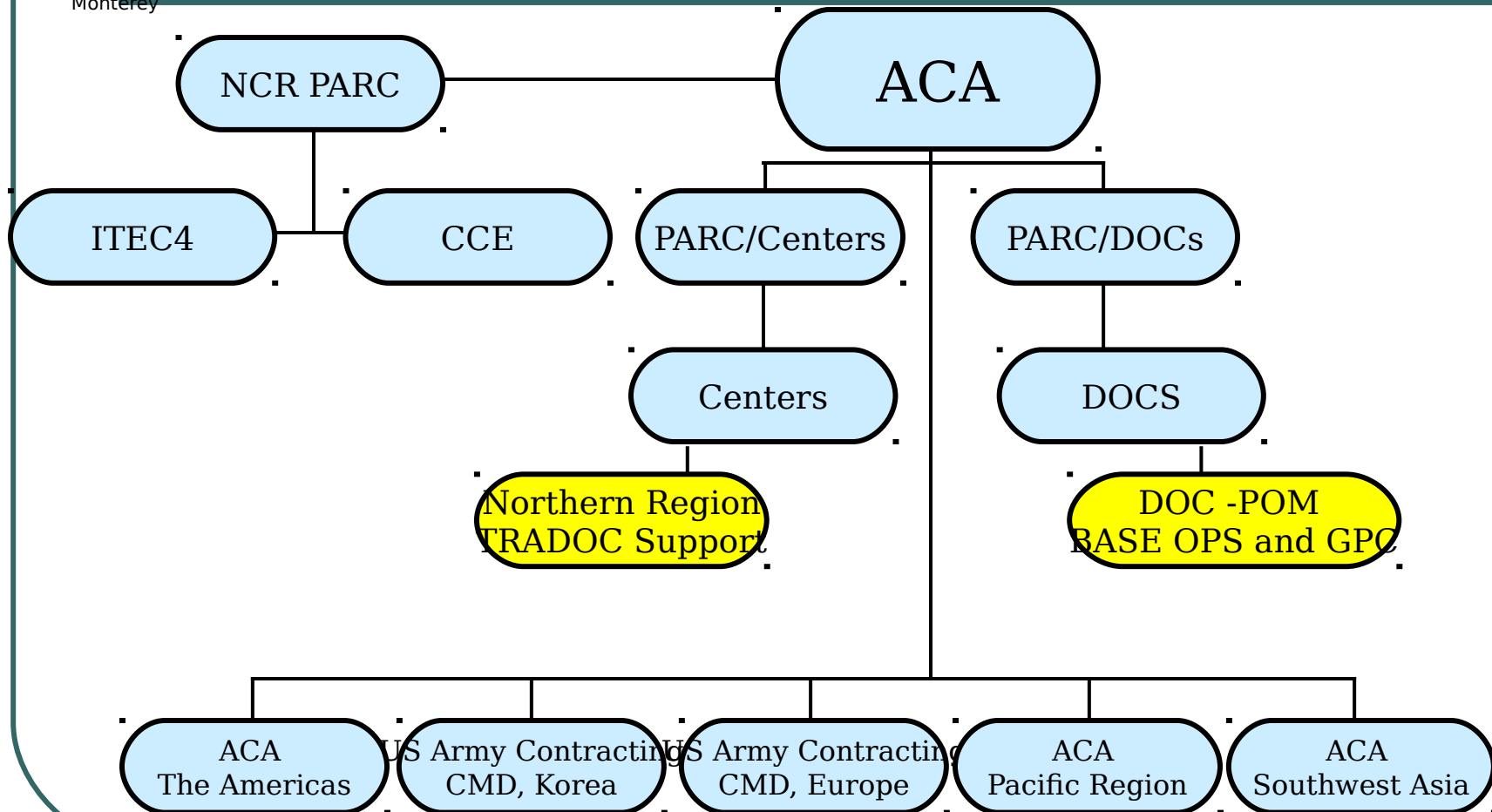
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- Who are the Contracting Players
- Customer Support
- Contract Life Cycle
- Regulations
- Authorities
- GPC Checks
- Split Purchases
- GPC Audit Findings
- Prohibited Items
- Key Points to Remember



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# Army Contracting Agency





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## Contracting Players

- Army Contracting Agency (ACA) responsible for all contracting
- POM Directorate of Contracting (DOC) is a tenant ACA organization residing on IMCOM installations
  - DOC Headquarters - Fort McPherson GA
- Contracting Officer / Only legal fiduciary agent for the US Government
  - Can delegate to GPC holders and CORs
    - No other Gov person can obligate Gov funds or ENTER into contractual agreements
  - Negotiate, award, administer, enforce Federal contracts



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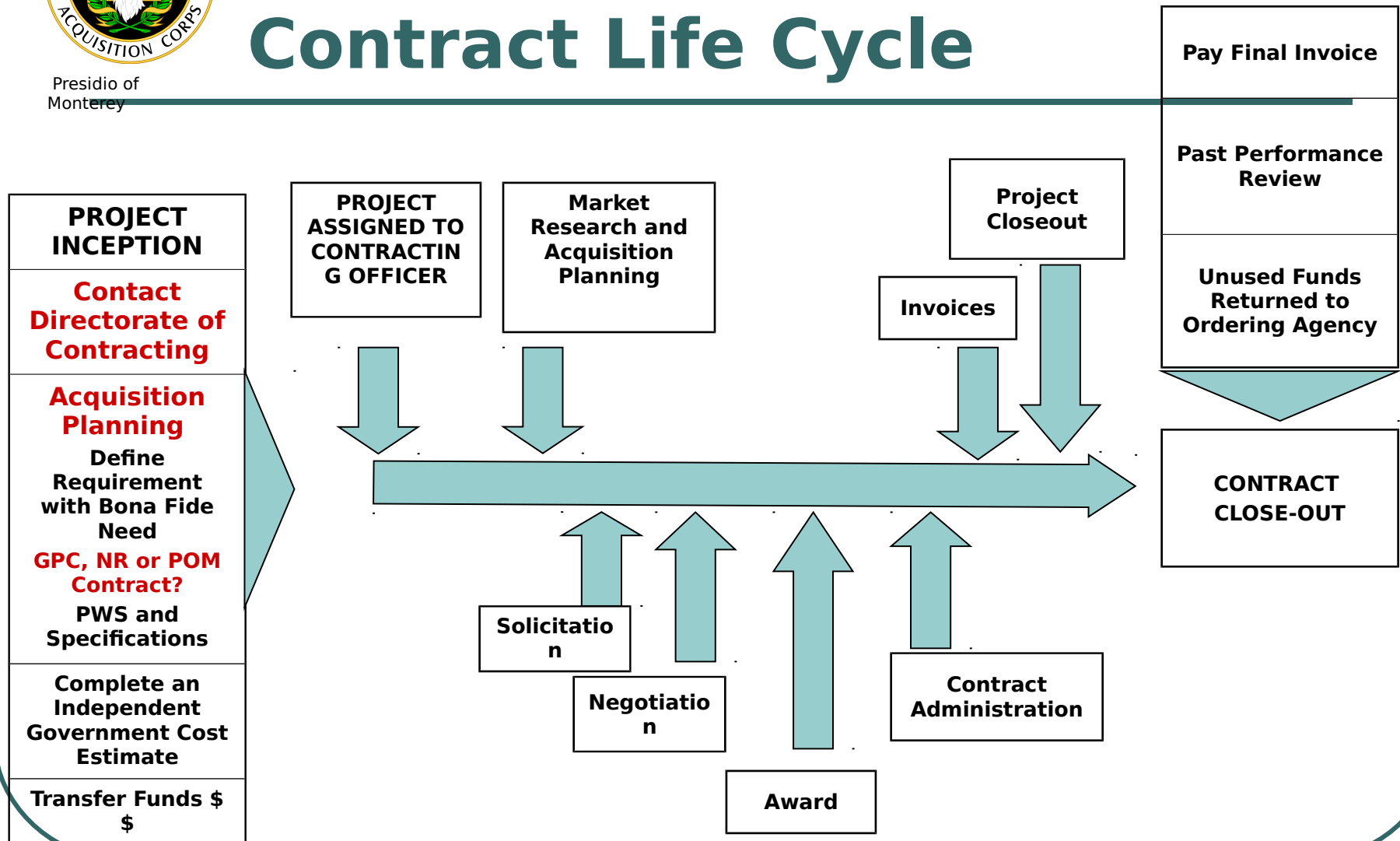
# CUSTOMER SUPPORT

- POM DOC Garrison and DLI
  - Base operations
  - Utilities
  - Services - Grounds Maintenance, Refuge, Food Service, laundry, transportation Mgt, cable TV, and audio visual
  - GPC / commodities / furniture
  - No construction
- ACA Northern Region – Ft. Eustus
  - All other DLI contract support
    - Contractor Advisory & Assistance Service (CAAS)



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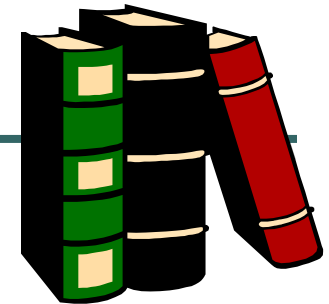
# Contract Life Cycle





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# Regulations / Guidance For Contracts and GPC



- Federal Acquisition Regulation
  - DFARS, AFARS
- Army Regulation AR 715xx
- DoD Financial Management Regulation 7000.14-R
  - POM GPC Users Guide
    - **Government Purchase Card Users Guide**
      - **SOP # DOC-CG001**
    - SOP Government Purchase Card Checks
      - SOP# DOC SOP-003
  - Review the DOC web page for current version
    - [http://pom-ima.monterey.army.mil/sites/directorates/contracting/purchase\\_card.asp](http://pom-ima.monterey.army.mil/sites/directorates/contracting/purchase_card.asp)

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# Authorities

- Army Contracting Agency owns the GPC program
- DOC officially trains and appoints Cardholders and Approving/Billing Officials
- DOC serves as the liaison between the Approving/Billing Official, Cardholders and US Bank on Purchase Card matters.
- DOC performs GPC enforcement and **ratifying unauthorized commitments**
  - **Conducts audits, fact findings and investigations** / Can use other agencies, legal, IG, and other investigative organizations. Has authority to suspend or terminate any Cardholder or Billing Official accounts or initiate personal payments for unauthorized commitments.





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# Increased Micro-Purchase Threshold for Supplies

- Due to FAR change, the GPC Program now has three maximum single purchase limits:
  - \$2,000 for construction
  - \$2,500 for services
  - \$3,000 for supplies
    - Anything over these limits must be competed by contracting
- Cardholders in good standing will receive **new delegation letters** for the increase after audits are completed



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# Special Requirements

- **Hazardous Materials** - Approve prior to purchase
- **ADP/FIP** - Consult **DOIM** **Prior** to the Purchase
- **Property Book** - Consult Property Book Officer **Prior to the Purchase**  
AR 735, Section III - Accountable Officer 2-10(b) (PBO can not be cardholders or a billing official)
- **Furniture Acquisitions** - Design and purchase if total does not exceed your single purchase limit
  - Send to POM DOC requirements estimated to be over your limits **to include design**
  - POM needs administrative lead time to make purchases - See lead time chart



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# GPC (Convenience) Checks

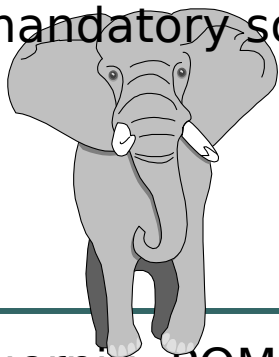
- Must be requested IAW the DOC SOP-003.
  - Only DOC can issue
- Convenience Checks are designed for unique purchases that can not be obtained with the purchase card. Cardholders must do market research to:
  - Determine that all sources have been exhausted.
  - There is no one vendor available in the market providing that product or service that accepts credit cards.



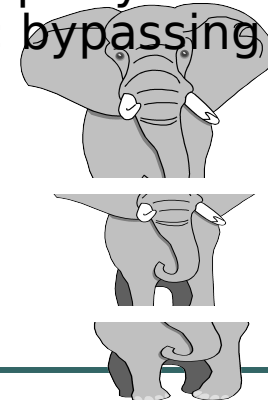
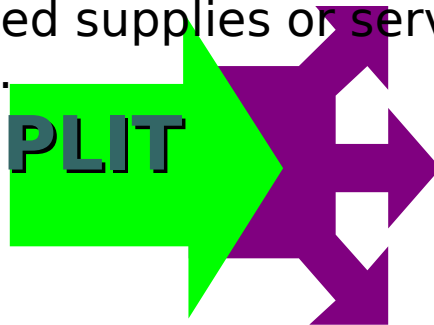
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# Split Purchases

- **Fraud** - A deliberate deception so as to secure unfair or unlawful gain.
- **Split Purchase** - DA , Memo dated 30 Oct 97, "An improper "split" in the purchase card program generally involves the **willful reduction of a requirement which could be purchased from the same merchant or vendor in an effort to keep the total price of the purchase at or below the cardholder's single purchase threshold."**
- Examples: Split purchases; failure to report property book; purchasing prohibited supplies or services and; bypassing mandatory sources.



**SPLIT**





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# GPC Audit Findings

- Lack of Supporting Documentation
  - Property book items
  - Missing receipts and purchase documentation
  - Purchases not in monthly folders
- Use of Non-mandatory Sources of Supply
  - Paypal, Kinkos, & Not using DOD E-Mail
- Splitting Requirements
- Lack of Explanatory detail in the Electronic CARE Transaction Log
- Not Keeping Current with mandatory Annual “Refresher” and Ethics Training



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# DOC GPC Audits

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- **What is DOC looking for in files:**
  - Appointment Letter
  - GPC Certification
  - Training Certificates
  - POM Customer Guide
  - Audits
  - Monthly File Folders
  - Backup Documents



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# DOC GPC Audits

- **What DOC is Looking For Cont.:**
  - Standardized order of filing actions
  - Frequency cardholders using their card
  - If each cardholder has their own folder (not combining all cardholders' actions in one folder)
  - Cards should be secured (locked up) and left at work.



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# DOC GPC Audits

- **Disciplinary Actions on Violations:**
  - 1<sup>st</sup> Offense: Normally lenient with warning.
  - 2<sup>nd</sup> Offense: Will address personal and ethical issues and involves stricter disciplinary measures.
  - Serious Violations Require Strict Discipline
- Disciplinary Process is a **judgmental process** and is subject to seriousness of violation.





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# Destroy the GPC Card

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- **Billing official's responsibility**
  - **Card holder no long requires card due to separation, change of duty, termination.**
    - **Military card** must be surrendered 30 days prior to PCS
    - **Civilian card** must be surrendered upon notification of departure
    - Email DOC card has been destroyed



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# Prohibited Items

- **See AR 715-xx and GPC Users Guide**
  - **Cash Advances**
  - **Lease** of land, building, or motor vehicle
  - **Airline, bus, train or other travel tickets**
  - **Meals, drinks, lodging or other travel and subsistence**
  - **Repair, gasoline or oil for GSA Vehicles**
  - **Printing, copying and visual art services**  
unless locally approved
  - **Telephone Calls**
  - **Purchases of consultant or personal services**



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# Pre - purchase Approval Items

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- **Water**
- **Advertising**
- **Hazardous Materials**
- **Member ships**
- **Business Cards**
- **Memberships**
- **Food and Refreshment**
- **Trophies, gifts, awards, plaques, and mementoes as give away**
- **And More.....**
  - **See AR 715-xx and GPC Users Guide**



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# Key Points

- **Plan all purchases - It takes time 30 - 360 days**
- **Read and know your GPC Guide**
- **Know what limits your appointment letter delegates**
- **Do not split requirements - integrity**
- **Cardholders are the agents for the Government**
  - **You are liable for your actions**
- **Mission does not over ride Acquisition Regulations**
- **Document, document, document!**
- **Call Contracting if in doubt**



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# GPC Program Coordinators

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# QUESTIONS

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# Ethics

- All Government purchase card participants are required to take **annual ethics and acquisition training.**
  - Two Factors of Ethics:
    - employees shall not use public office for private gain, and
    - employees shall act impartially and not give preferential treatment to any private organization or individual.



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# Procurement Administrative Lead Time (PALT)

- **PALT starts when DOC receives completed package, NOT when input into PR Web.**
- **PURCHASES BETWEEN \$2,500 - \$25,000**
  - Emergency Supply (DOC Director Approval) 8 Days
  - Emergency Services (DOC Director Approval) 12 Days
  - Routine Supply or Services 30 Days
  - Modifications to existing contracts 5-30 Days
- **PURCHASES BETWEEN \$25,000 - \$100,000**
  - Delivery Orders against existing DoD or GSA contracts 15 Days
  - New work - Combined synopsis & solicitation (commercial) 60 Days
  - New work - Formal synopsis and solicitation 84 Days
- **COMMERCIAL PURCHASES OF SUPPLIES OR SERVICES**
  - Delivery Orders Against non-Army contracts (Off Loads) Over \$100,000 60 Days
  - Competitive Procurements Over \$100,000 to \$1,000,000 120 Days
  - Competitive Procurements Over \$1,000,000 150 Days
  - Sole Source Procurements Over \$100,000 to \$1,000,000 109 Days
  - Sole Source Procurements Over \$1,000,000 300 Days
- **NON-COMMERCIAL SUPPLIES OR SERVICES**
  - Competitive Procurements Over \$100,000 to \$1,000,000 215 Days
  - Competitive Procurements Over \$1,000,000 255 Days
  - Sole Source Procurements Over \$100,000 to \$1,000,000 160 Days
  - Sole Source Procurements Over \$1,000,000 300 Days